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Bullock
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CS FOR HOUSE BILL NO. 298(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES SEATON, Kawasaki, Gardner, Peggy Wilson, Herron, Feige, Lynn

A BILL

FOR AN ACT ENTITLED

1 "An Act exempting quarry rock, sand and gravel, and marketable earth mining
2 operations from the mining license tax; and providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 43.65.010(a) is amended to read:

5 (a) A person prosecuting or attempting to prosecute, or engaging in the
6 business of mining in the state shall obtain a license from the department. All new
7 mining operations are exempt from the tax levied by this chapter for three and one-
8 half years after production begins. [THE TAX EXEMPTION GRANTED TO NEW
9 MINING OPERATIONS DOES NOT EXTEND OR APPLY TO THE MINING OF
10 SAND AND GRAVEL.]

11 * **Sec. 2.** AS 43.65.060(2) is amended to read:

12 (2) "mining" means an operation by which valuable metals, ores,
13 minerals, asbestos, gypsum, coal, [MARKETABLE EARTH,] or stone, or any of them
14 are extracted, mined, or taken from the earth; "mining" includes the ordinary treatment

processes normally applied by mine owners or operators to obtain the commercially marketable product, but does not include the extraction or production of oil and gas, marketable earth, quarry rock, or sand and gravel;

* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to read:

RETROACTIVITY. Sections 1 and 2 of this Act are retroactive to January 1, 2012.

* **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).